COMMUNICATION COUNCIL

TO:

THE CITY COUNCIL

THE CITY MANAGER'S OFFICE

COUNCIL MEETING DATE JANUARY 17, 1990

SUBJECT:

FROM:

CONSIDERATION OF THE DRAFT ORDINANCE AUTHORIZING DISPOSITION OF SURPLUS

CITY PERSONAL PROPERTY HAVING A VALUE OF \$2,000 OR LESS.

PREPARED BY:

City Attorney

RECOMMENDED ACTION:

Consideration of the draft ordinance authorizing disposition of surplus City personal property having

a value of \$2,000 or less.

BACKGROUND INFORMATION: In recent times, the question has surfaced on a number of occasions as to appropriate procedures to

be followed in disposing of personal property owned

by the City which is no longer needed. Although the Municipal Code presently vests ou hority for the management of all City property in the City Manager, it does not contain provisions for the disposal of surplus personal property. Research also fails to turn up any State guidelines which might be useful.

Although we have regulations for the disposal of found property and recovered bicycles, it may be useful for the Council to delegate to the City Manager this authority and to establish specific guidelines.

To that end, attached is a draft of an ordinance authorizing the Manager to dispose of surplus personal property having a value of \$2,000 or less. The ordinance requires that the surplus property be advertised once in a newspaper or periodical and sealed bids requested. If this does not produce acceptable results, the Manager may then simply solicit offers and sell the item(s) to the first person offering a reasonable price.

If neither of these approaches produces results, the Manager would then be authorized to either sell the property at auction or consign it to a broker for sale. In addition, property having a value of less than \$100 would not be subject to the publication and sealed bid requirements.

Following the sale of any surplus personal property, the Manager would be required to notify the City Council in writing within 30 days after the sale. This ordinance would not apply to the disposal of real property or improvements.

Respectfully submitted,

BOB McNATT

City Attorney

SURPLUS3/TXTA.01V

ORDINANCE NO. 1474

AN ORDINANCE OF THE LODI CITY COUNCIL AMENDING CHAPTER 12 OF THE LODI MUNICIPAL CODE BY ADDING A SECTION ESTABLISHING PROCEDURES FOR THE DISPOSAL OF SURPLUS PERSONAL PROPERTY BY THE CITY MANAGER

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Lodi Municipal Csde Chapter 12 is hereby amended to add a new section 2.12.120 to read as follows:

§2.12.120. Disposition of Surplus Personal Property.

- A. The City Manager may, upon recommendation of the City Purchasing Officer, authorize the sale of surplus personal property having a value of two thousand dollars (\$2,000) or less, which is no longer required for City use. Within thirty (30) days following the sale of any surplus City property under this ordinance, the City Manager shall notify the City Council in writing of such sale.
- B. Prior to sale of property under this ordinance, the City Manager shall notify all departments of its availability for City use.
- C. The following procedures shall be used to dispose of surplus City property under this ordinance:

- (1) The property to be sold shall be advertised by publication at least one time in a newspaper of general circulation or in a magazine or periodical generally distributed to municipalities, and sealed bids solicited. The manner of advertising and processing of bids shall be consistent with practices employed for other City transactions requiring bids.
- (2) If the procedures specified in subsection C(1) produce no bids, or bids of less than **a** reasonable sale price, all bids may be rejected by the City Manager, and offers in any form may be solicited and accepted without further competitive procedures.
- (3) If **no** satisfactory bids or offers are received under subsections C(1) or C(2), such surplus property may be sold by auction or delivered to a broker for consignment sale.
- (4) Surplus property having a total value of less than one hundred dollars (\$100), as determined by the City Purchasing Officer, may be sold without compliance with the advertising and sealed bid requirements of subsection C(1) herein.

<u>SECTION 2.</u> All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

<u>SECTION 3.</u> This ordinance shall **be** published one time in the "Lodi News Sentinel", a daily newspaper of general circulation printed and published in the City of Lodi and shall **be** in **force** and take effect thirty days from and after its passage and approval.

Approved this day of

JOHN R. SNIDER Mayor

Attest:

ALICE M. REIMCHE City Clerk

State of California County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No.1474 was introduced at a regular meeting of the City Council of the City of Lodi held January 17, 1990 and was thereafter passed, adopted and ordered to print at a regular meeting of said Council held ____ by the following vote:

Ayes :

Council Members -

Noes:

Council Members -

Absent:

Council Members -

Abstain:

Council Members -

I further certify that Ordinance No. 1474 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

ALICE M. REIMCHE City Clerk

Approved as to Form

BOBBY W. McNATT City Attorney

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